

**IN THE UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re

Chapter 9

CITY OF DETROIT, MICHIGAN,

Case No. 13-53846

Debtor.

Judge Thomas J. Tucker

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**CERTIFICATION OF NO FILED RESPONSE OR OBJECTION  
REGARDING CITY OF DETROIT'S MOTION FOR  
(I) DETERMINATION THAT COURTNEY D. PAYTON WILLFULLY  
VIOLATED THIS COURT'S ORDER GRANTING MOTION TO  
ENFORCE, ENTERED AT DOCKET NUMBER 10743, AND  
(II) AWARDING COMPENSATORY AND PUNITIVE SANCTIONS**

On June 1, 2017, the City Of Detroit ("City") filed its *Motion for (I) Determination that Courtney D. Payton Willfully Violated This Court's Order Granting Motion to Enforce, Entered at Docket Number 10743, and (II) Awarding Compensatory and Punitive Sanctions* ("Motion") [Doc. No. 11894]. The Motion was served via first class mail and email upon counsel for Courtney D. Payton ("Payton") on the same date. *See Certificate of Service*, attached as Exhibit A.

On June 15, 2017, a paralegal for counsel for the City received an email from Payton's counsel with an unsigned document attached entitled *Courtney D. Payton's Objection and Response to City of Detroit's Motion for (I) Determination That Courtney D. Payton Willfully Violated This Court's Order Granting Motion to Enforce Entered at Docket Number 10753, and (II) Awarding Compensatory and Punitive Damages* (the "Response"). On June 16, 2017, counsel for the City

received a second email from Payton's counsel containing two attached documents. One was the Response, now signed. The other was entitled *Courtney D. Payton's Motion for Leave to File in the Traditional Paper Manner* ("Paper Motion").

Neither the Response nor the Paper Motion has been filed with the Court and the time to file a response to the Motion has passed. The City respectfully requests that the Court enter an order in substantially the same form as the one which was attached to the Motion. *See Proposed Order*, attached as Exhibit B.

Respectfully submitted,

MILLER, CANFIELD, PADDOCK AND  
STONE, P.L.C.

By: /s/ Marc N. Swanson  
Jonathan S. Green (P33140)  
Marc N. Swanson (P71149)  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Telephone: (313) 496-7591  
Facsimile: (313) 496-8451  
swansonm@millercanfield.com

DATED: June 21, 2017

## **Exhibit A - Certificate of Service**

**EXHIBIT 4 – CERTIFICATE OF SERVICE**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

City of Detroit, Michigan,

Debtor.

Bankruptcy Case No. 13-53846

Judge Thomas J. Tucker

Chapter 9

**CERTIFICATE OF SERVICE**

The undersigned certifies that on June 1, 2017, he served the *City of Detroit's Motion for (I) Determination that Courtney D. Payton Willfully Violated This Court's Order Granting Motion to Enforce, Entered at Docket Number 10743, and (II) Awarding Compensatory and Punitive Sanctions* upon the individual listed below via first class mail and email.

Marc J. Mendelson  
Donald J. Cummings  
MIKE MORSE LAW FIRM  
24901 Northwestern Highway, Suite 700  
Southfield, Michigan 48075-1816  
marc@855mikewins.com  
don@855mikewins.com  
jtremblay@855mikewins.com

DATED: June 1, 2017

By: /s/ Marc N. Swanson

Marc N. Swanson

150 West Jefferson, Suite 2500

Detroit, Michigan 48226

Telephone: (313) 496-7591

Facsimile: (313) 496-8451

swansonm@millercanfield.com

## **Exhibit B - Proposed Order**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

City of Detroit, Michigan,  
Debtor.

Bankruptcy Case No. 13-53846

Judge Thomas J. Tucker

Chapter 9

**ORDER GRANTING CITY OF DETROIT'S  
MOTION FOR (I) DETERMINATION THAT COURTNEY D. PAYTON  
WILLFULLY VIOLATED THIS COURT'S ORDER GRANTING MOTION  
TO ENFORCE, ENTERED AT DOCKET NUMBER 10743, AND  
(II) AWARDING COMPENSATORY AND PUNITIVE SANCTIONS**

This matter, having come before the court on the *City of Detroit's Motion for (I) Determination that Courtney D. Payton Willfully Violated This Court's Order Granting Motion to Enforce, Entered at Docket Number 10743, and (II) Awarding Compensatory and Punitive Sanctions* ("Motion") upon proper notice; no objection or response to the Motion having been timely filed with this Court; the Court being fully advised in the premises; and from review of the unopposed Motion, there being good cause to grant the relief requested,

**THE COURT FINDS THAT**, beyond a reasonable doubt, Courtney D. Payton has violated this Court's *Order Granting City of Detroit's Motion to Enforce Order, Pursuant to Sections 105, 501, and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(C), Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof Against Bobby*

*Watson, Godfrey Walters, Nadine Staley and Courtney D. Payton*, filed at Docket Number 10743 and served upon her as shown at Docket Number 10744

**NOW, THEREFORE, THE COURT ORDERS THAT:**

1. The Motion is granted.
2. Within five days of the entry of this Order, Courtney D. Payton will dismiss, or cause to be dismissed, with prejudice the City of Detroit from Case No. 17-05922 filed in the Circuit Court for the County of Wayne, Michigan (“State Court Lawsuit”).
3. Courtney D. Payton is permanently barred, estopped, and enjoined from asserting any claims described in the State Court Lawsuit against the City of Detroit or property of the City of Detroit, in the State Court Lawsuit or in any other action or proceeding.
4. The City is directed to file a statement of all costs it has incurred in all aspects of defending against the State Court Lawsuit, including but not limited to (a) attorneys’ fees billed to the City for defense of the State Court Lawsuit and in preparing and filing the City’s Motion and (b) costs incurred by City due to the necessity of devoting the time of City-employed attorneys to these matters (“Bill of Costs”).



5. Courtney D. Payton, the Mike Morse Law Firm, and Donald J. Cummings will be held jointly and severally liable to the City for compensatory damages in the amount stated in the Bill of Costs.

6. In addition to the amount stated in the previous paragraph, Courtney D. Payton, the Mike Morse Law Firm, and Donald J. Cummings will be held jointly and severally liable to the City for noncompensatory damages in an amount that equals twice the amount stated in the Bill of Costs.

7. If the State Court Lawsuit is not timely dismissed as provided in this Order, the City may apply to this Court for additional sanctions.

8. The Court retains jurisdiction over any and all matters arising from the interpretation or implementation of this Order.